



Registration of a Charge

Company Name: **WHCO14 LIMITED**

Company Number: **13266967**



Received for filing in Electronic Format on the: **27/04/2021**

XA3BJ2UA

Details of Charge

Date of creation: **26/04/2021**

Charge code: **1326 6967 0001**

Persons entitled: **WILLIAM BEELEY**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **GUNNERCOOKE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 13266967

Charge code: 1326 6967 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th April 2021 and created by WHCO14 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th April 2021 .

Given at Companies House, Cardiff on 28th April 2021

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

Dated 26 April **2021**

WHCO14 LIMITED

and

WILLIAM BEELEY

DEBENTURE

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This Debenture is made on

26 April

2021

Between

- (1) **WHCO14 LIMITED** (company number 13266967) whose registered office is at Reece Safety Products Limited, Unit 9B Lowfields Close, Lowfields Business Park, Elland, West Yorkshire HX5 9DX (the "**Company**"); and
- (2) **WILLIAM BEELEY** of Abbey Cottage, Blake House Farm, Marsh Hall Lane, Thurstonland, Huddersfield HD4 6XD (the "**Lender**").

It is agreed

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this Deed:

"Account"	has the meaning given to it in clause 3.3.7 (First fixed charges).
"Accounting Principles"	generally accepted accounting principles in the United Kingdom.
"Authorisation"	an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration, or any other similar permission.
"Business Day"	a day (other than a Saturday or Sunday) on which banks are open for general business in London.
"Charged Property"	any freehold, leasehold or commonhold property the subject of the security constituted by this Deed and references to " Charged Property " shall include references to the whole or any part or part of it
"Chattels"	has the meaning given to it in clause 3.3.5 (First fixed charges).
"Consideration Loan Note Instrument"	the consideration loan note instrument 2023 entered into between the Company on or around the date hereof.
"Debts"	has the meaning given to it in clause 3.3.6 (First fixed charges).
"Default Rate"	the default rate of interest specified in the Consideration Loan Note Instrument.
"Event of Default"	an event, howsoever described which gives the Lender the right to demand repayment of any Secured Obligations.
"Environmental Law"	any applicable law or regulation which relates to:

- (a) the pollution or protection of the environment
- (b) harm to or the protection of human health
- (c) the conditions of the workplace or
- (d) any emission or substance capable of causing harm to any living organism or the environment.

"Fixtures" in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this Deed on the Secured Property.

"Floating Charge Assets" all the assets and undertaking from time to time subject to the floating charge created under clause 3.5 (Floating charge).

"Insurance Policies" in respect of the Company, all policies of insurance present and future in which it has an interest.

"Intellectual Property" means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered
- (b) the benefit of all applications and rights to use such assets of the Company.

"Intercreditor Deed" the intercreditor deed in the agreed form to be entered into between (1) the Company, (2) William Beeley (3) Robin Womersley and (4) Abaris International Ltd.

"Investments" all certificated shares, stock, debentures, bonds or other securities or investments (whether or not marketable) from time to time legally or beneficially owned by or on behalf of the Company.

"Month" unless a contrary contention appears, a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) (subject to paragraph (c)) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the

immediately preceding Business Day;
and

- (b) If there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last month of any period. **Monthly** shall be construed accordingly.

"Occupational Lease" in respect of the Company, a lease of a Secured Property in respect of which it is landlord.

"Party" a party to this Deed.

"Planning Acts" the Town and Country Planning Acts 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any regulations or subordinate legislation made under any of the foregoing and any other statute or regulation governing or controlling the use or development of land and buildings.

"Premises" any building on a Secured Property.

"Properties" the property listed in the schedule (Properties).

"Real Property" means:

- (a) any freehold, leasehold, common hold or immovable property; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold, commonhold or immovable property.

"Receiver" any receiver, manager or administrative receiver appointed by the Lender in respect of the Company or any of the Secured Assets.

"Secured Assets" in respect of the Company, all of its assets and undertaking the subject of any Security created by or under this Deed in favour of the Lender.

"Secured Obligations" in respect of the Company all moneys and liabilities now or after the date of this Deed due, owing or incurred by the Company to the Lender whatsoever, in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly or in any other

	capacity with any other person and whether as principal or surety, together with all interest accruing on such moneys and liabilities and all costs, charges and expenses incurred by the Lender.
"Secured Property"	at any time the Properties and all other freehold, leasehold or commonhold property which is subject to a Security created by or under this Deed.
"Security"	a mortgage, charge, pledge, lien, assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.
"Security Documents"	each of this Deed and any other document entered into by any Party creating or expressed to create any Security over all or any part of its assets in respect of the Secured Obligations.
"Security Period"	the period beginning on the date of this Deed and ending on the date on which the Lender is satisfied that the Secured Obligations have been irrevocably and unconditionally satisfied in full.
"Subsidiary"	a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985.
"Unpaid Sum"	any sum due and payable but unpaid by the Company to the Lender.

1.2. Interpretation

- 1.2.1. A term defined in this Deed has the same meaning when used in any notices, acknowledgements or other documents issued under or in connection with this Deed.
- 1.2.2. In this Deed the term **dispose** includes any sale, lease, licence, transfer or loan.
- 1.2.3. Clause, Schedule and paragraph headings shall not affect the interpretation of this Deed;
- 1.2.4. A **person** includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality).
- 1.2.5. Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.2.6. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

- 1.2.7. A reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives (as applicable), successors, permitted assigns and permitted transferees.
- 1.2.8. A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.2.9. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.2.10. An obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.2.11. A reference to **this Deed** (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed) from time to time.
- 1.2.12. Unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed and a reference to a paragraph is to a paragraph of the relevant Schedule.
- 1.2.13. Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.2.14. A reference to an **amendment** includes a novation, supplement or variation (and **amend** and **amended** shall be construed accordingly).
- 1.2.15. A reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.2.16. A reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution.
- 1.2.17. A reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived.
- 1.2.18. A reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it.
- 1.2.19. A reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3. Third party rights

- 1.3.1. A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed or any other document entered into under or in connection with it.
- 1.3.2. The consent of any person who is not a Party is not required to rescind or vary this Deed or any other document entered into under or in connection with it.

1.4. Administration

- 1.4.1. Any reference in this Deed, or any other document entered into or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of the Company's assets) or 22 (by the Company or the directors of the Company) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment.
- 1.4.2. Any reference in this Deed or any other document entered into or in connection with it, to making an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraph 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice.

1.5. Incorporated terms

The terms of all of the documents relating to the Secured Obligations are incorporated into this Deed to the extent required for any purported disposition of any Secured Assets contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6. Nature of security over real property

A reference in this Deed to a charge or mortgage of or over any Charged Property includes:

- 1.6.1. all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of that Charged Property at any time;
- 1.6.2. the proceeds of the sale of any part of that Charged Property and any other monies paid or payable in respect of or in connection with that Charged Property;
- 1.6.3. the benefit of any covenants for title given, or entered into, by any predecessor in title of the Company in respect of that Charged Property, and any monies paid or payable in respect of those covenants; and
- 1.6.4. all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property.

1.7. Nature of security over Investments

A reference in this Deed to any share, stock, debenture or other security or investment includes:

- 1.7.1. any dividend, interest or other distribution paid or payable in respect of that share, stock, debenture or other security or investment;
- 1.7.2. any right, money, shares or property accruing, offered or issued at any time in relation to that share, stock, debenture or other security or investment by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

2. COVENANT TO PAY

The Company covenants with the Lender to pay and discharge on demand the Secured Obligations when they become due for payment and discharge.

3. CHARGING PROVISIONS

3.1. General

All Security created by the Company under clauses 3.2 (First legal mortgages) to 3.5 (Floating charge) inclusive is:

- 3.1.1. a continuing security for the payment and discharge of the Secured Obligations;
- 3.1.2. granted with full title guarantee; and
- 3.1.3. granted in respect of all the right, title and interest (if any), present and future in and to the relevant Secured Asset.

3.2. First legal mortgages

As a continuing security for the payment and discharge of the Secured Obligations, the Company with full title guarantee charges by way of first legal mortgage:

- 3.2.1. the Properties;
- 3.2.2. all other interests and estates in freehold, leasehold or commonhold property,

and, in each case, all Premises and Fixtures on such property for the time being.

3.3. First fixed charges

As a continuing security for the payment and discharge of the Secured Obligations, the Company with full title guarantee charges by first fixed charge other than specific assets effectively charged by way of legal mortgage under clause 3.2 (First legal mortgages):

- 3.3.1. all other interests and estate in any freehold, leasehold or commonhold property;

- 3.3.2. the benefit of all other contracts, guarantees, appointments and warranties relating to each Secured Property and other documents to which the Company is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Secured Property or otherwise relating to any Secured Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);
- 3.3.3. the proceeds of sale of its Secured Assets and all licences, consents and authorisations to enter on or use any Secured Asset;
- 3.3.4. the benefit of all agreements, instruments and rights relating to the Secured Assets;
- 3.3.5. all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, (together "**Chattels**") present and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals, modifications, additions and replacements of them;
- 3.3.6. all book and other debts due to the Company and their proceeds (both collected and uncollected) (together "**Debts**") and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them);
- 3.3.7. all moneys from time to time standing to the credit of each account held by the Company with any bank, building society, financial institution or other person (each an "**Account**");
- 3.3.8. all its Intellectual Property;
- 3.3.9. all its goodwill and uncalled capital;
- 3.3.10. all its Investments;
- 3.3.11. the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them; and
- 3.3.12. all insurance policies present and future in which it has an interest.

3.4. Assignment

As a continuing security for the payment and discharge of the Secured Obligations, the Company with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Obligations:

- 3.4.1. all its rights in each insurance policy in which it has an interest, including all claims, the proceeds of all claims and all returns of premiums in connection with each such insurance policy; and
- 3.4.2. the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets.

3.5. Floating charge

As a continuing security for the payment and discharge of the Secured Obligations, the Company with full title guarantee charges to the Lender by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of legal mortgage or fixed charge under clauses 3.1 (General), 3.2 (First legal mortgages), 3.3 (First fixed charges) or 3.4 (Assignment).

3.6. Qualifying floating charge

This Deed contains a qualifying floating charge and paragraph 14 of Schedule B1 of the Insolvency Act 1986 applies to the floating charge created by or under this Deed.

3.7. Conversion of floating charge to a fixed charge

The Lender may in its sole discretion at any time by notice in writing to the Company convert the floating charge created under clause 3.5 (Floating charge) into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:

- 3.7.1. an Event of Default is continuing; or
- 3.7.2. in the opinion of the Lender that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset.

3.8. Automatic conversion of floating charge to a fixed charge

If:

- 3.8.1. the Company creates or attempts to create any Security over any of its Floating Charge Assets (unless the creation of such Security is permitted in writing by the Lender);
- 3.8.2. disposes, or attempts to dispose, of all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- 3.8.3. any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset; or
- 3.8.4. any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of the Company,

the floating charge created by this Deed will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.8.4, over all of the Floating Charge Assets.

3.9. Small company moratorium

Where the Company is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 of the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 of the Insolvency Act 1986 shall not cause the floating charge created by this Deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by the Company.

3.10. Assets acquired after any floating charge has crystallised

Any asset acquired by the Company after any crystallisation of the floating charge created under this Deed that, but for that crystallisation, would be subject to a floating charge under this Deed, shall (unless the Lender confirms otherwise to the Company in writing) be charged to the Lender by way of first fixed charge.

4. CONTINUING SECURITY

4.1. The Security constituted by this Deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by the Company or any other person of the whole or any part of the Secured Obligations.

4.2. The Company's liability under this Deed in respect of any of the Secured Obligations shall not be discharged, prejudiced or affected by:

4.2.1. the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or

4.2.2. any other act or omission that, but for this clause 4, might have discharged, or otherwise prejudiced or affected, the liability of the Company.

4.3. Recourse

The Security constituted by this Deed:

4.3.1. is in addition to any other Security which the Lender may hold at any time for the Secured Obligations (or any of them); and

4.3.2. may be enforced without first having recourse to any other rights of the Lender.

5. REPRESENTATIONS AND WARRANTIES

5.1. Times for making representations and warranties

The Company makes the representations and warranties set out in this clause 5 to the Lender on the date of this Deed and such representations and warranties are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

5.2. Ownership of Secured Assets

The Company is the sole legal and beneficial owner of, and has good, valid and marketable title to, the Secured Assets.

5.3. No Security

The Secured Assets are free from any Security other than Permitted Security and the Security created by this Deed.

5.4. No adverse claims

The Company has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

5.5. No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

5.6. No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

5.7. No interference in enjoyment

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

5.8. No overriding interests

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Secured Property.

5.9. Avoidance of security

No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Company or otherwise.

5.10. No prohibitions or breaches

There is no prohibition on assignment in any insurance policy held by the Company or agreement entered into by the Company and the entry into this Deed by the Company does not, and will not, constitute a breach of any such insurance policy, agreement or any other policy, agreement, document, instrument or obligation binding on the Company or its assets.

5.11. Environmental compliance

The Company has, at all times, complied in all material respects with all applicable Environmental Law and environmental licences.

5.12. Enforceable security

This Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Company, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

5.13. Investments

- 5.13.1. The Investments are fully paid and are not subject to any option to purchase or similar rights.
- 5.13.2. No constitutional document of an issuer of an Investment, nor any other agreement:
 - 5.13.2.1. restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or
 - 5.13.2.2. contains any rights of pre-emption in relation to the Investments.
- 5.13.3. The Company has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.
- 5.13.4. No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

6. **NEGATIVE PLEDGE**

- 6.1. The Company shall not create or permit to subsist any Security over any of its assets.
- 6.2. The Company shall not:
 - 6.2.1. sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - 6.2.2. create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party;
 - 6.2.3. enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - 6.2.4. enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset.
- 6.3. Clauses 6.1 and 6.2 do not apply to any Security or arrangement which arises under any retention of title, hire purchase or other Security, provided this is arising in the ordinary course of trading on the suppliers standard or usual terms of trade with the Company.

7. **RESTRICTIONS ON DISPOSALS**

The Company shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Secured Assets.

8. **FURTHER ASSURANCE**

8.1. The Company shall promptly, at its own expense, do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Lender may reasonably specify (and in such form as the Lender may reasonably require) in favour of the Lender or its nominee(s):

8.1.1. to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to this Deed or by law;

8.1.2. to confer on the Lender Security over any property and assets of the Company located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or

8.1.3. (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this Deed and to facilitate the exercise of any other right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any Secured Asset,

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Lender may consider necessary or desirable.

8.2. The Company shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to this Deed.

8.3. Any document required to be executed by the Company under this clause 8 will be prepared at the cost of the Company.

8.4. The Company shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this Deed.

8.5. Compliance with laws and regulations

8.5.1. The Company shall not, without the Lender's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.

8.5.2. The Company shall:

- 8.5.2.1. comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of it or any part of them;
- 8.5.2.2. obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
- 8.5.2.3. promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

8.6. Enforcement of rights

The Company shall use its best endeavours to:

- 8.6.1. procure the prompt observance and performance by each counterparty to any agreement or arrangement with the Company forming part of the Secured Assets (including each counterparty in respect of a Relevant Agreement and each insurer in respect of an Insurance Policy) of the covenants and other obligations imposed on that counterparty; and
- 8.6.2. enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets as the Lender may require from time to time.

8.7. Notice of misrepresentation and breaches

The Company shall, promptly on becoming aware of any of the same, notify the Lender in writing of:

- 8.7.1. any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
- 8.7.2. any breach of any covenant set out in this Deed.

8.8. Title documents

The Company shall, as so required by the Lender, deposit with the Lender and the Lender shall, for the duration of this Deed be entitled to hold:

- 8.8.1. all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Company (and if they are not within the possession or control of the Company, the Company undertakes to obtain possession of all those deeds and documents of title);
- 8.8.2. all insurance policies relating to any of the Secured Assets that the Company is entitled to possess; and
- 8.8.3. all deeds and documents of title (if any) relating to the Debts as the Lender may specify from time to time;

9. **LAND REGISTRY**

9.1. Application for restriction

- 9.1.1. In relation to land and buildings situated in England and Wales title to which is registered or is to be registered at the Land Registry, the Company consents to an application being made to the Chief Land Registrar for registration of a restriction on the register of title of all present and future registered freehold, leasehold or commonhold property of the Company (and any unregistered properties subject to compulsory first registration at the date of this Deed).

The Company confirms that so far as any of the Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.

- 9.1.2. If the title to any Secured Property is not registered at the Land Registry, the Company shall procure that no person (other than itself) shall be registered under the Land Registration Act 2002 as proprietor of all or any part of any Secured Property, without the prior written consent of the Lender.

- 9.1.3. Whether or not title to any Secured Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Company's title to any Secured Property, the Company shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Deed, the Company shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

- 9.1.4. The Company shall be liable for the reasonable costs and expenses of the Lender in lodging cautions against the registration of the title to the whole or any part of any Secured Property from time to time.

- 9.1.5. Tacking and further advances

This security has been made for securing further advances from the Lender to the Company. The Lender and the Company by this Deed consent to an application being made to the Chief Land Registrar to enter a note of such obligation on the register of title to all present and future registered property of the Company (and any unregistered properties subject to compulsory first registration at the date of this Deed).

10. **NOTICES OF CHARGES**

10.1. Charge over accounts

- 10.1.1. The Company shall following a request in writing by the Lender give notice (in a form satisfactory to the Lender) to the financial institution at which such

Account is held that the Company has created a fixed charge over the balance standing to the credit of that Account.

- 10.1.2. The Company shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice within 5 Business Days of that notice being given.

10.2. Insurance

The Company shall as so requested by the Lender from time to time, give notice to each insurer under an insurance policy held by it (in a form satisfactory to the Lender) and procure that each insurer provides to the Lender promptly an acknowledgement of the notice.

10.3. Tangible assets

Within 5 Business Days of request by the Lender, the Company shall affix to, and maintain in a visible place on each of its Chattels specified in such request the value of which exceeds £100,000, a notice in the following terms:

"Notice of Charge

This <> and all additions to it and ancillary equipment are subject to a first fixed charge in favour of •.

The Company shall not conceal, alter or remove such notice or permit it to be concealed, altered or removed.

11. UNDERTAKINGS

The Company undertakes to the Lender in accordance with this clause 11. The undertakings in this clause 11 shall remain in force during the Security Period.

11.1. Real property

11.1.1. Access

It will permit the Lender and such person or persons as it shall nominate at all reasonable times and on reasonable notice to enter on any part of its Secured Property and provide the Lender with such information concerning the location, condition, use and operation of the Secured Assets as the Lender may reasonably require.

11.1.2. Repair

11.1.2.1. It shall keep its Secured Property in good and substantial repair and condition and decorative order.

11.1.2.2. It shall repair any defect or damage to any of its Secured Property promptly and if it fails to do so the Lender may, but shall not be obliged to, do so.

11.1.3. Outgoings

It will punctually pay and indemnify the Lender and any Receiver against all present and future rents, rates, taxes, assessments and outgoings of

whatsoever nature imposed on or payable in respect of its Secured Property or any part of it or payable by the owner or occupier of it.

11.1.4. Investigation of title

On request by the Lender, it shall grant the Lender or its advisers (at the cost of the Company) all facilities within its power to enable the Lender or its advisers or delegates to carry out such investigations of title to and enquiries into its Secured Property or other Secured Assets as may be carried out by a prudent mortgagee or chargee.

11.1.5. Landlord's consent

If under the terms of any lease under which it holds an interest in a Secured Property, the Company is not permitted to charge its interest in such Secured Property without the consent of the landlord.

11.1.5.1. it undertakes promptly to make an application for landlord's consent to the creation of the fixed charge contained in clause 3.3 (First fixed charges) and any charge to be created under clause 8 (Further assurance), shall use all reasonable endeavours to obtain such consent as soon as possible and shall keep the Lender informed of the progress of its negotiations with such landlord;

11.1.5.2. subject to clause 11.1.5.3:

11.1.5.2.1. no breach of any representation in any document recording the Secured Obligations shall occur by virtue of the Company's failure to have obtained such landlord's consent; and

11.1.5.2.2. if the landlord indicates in writing that it proposes to commence, or commences an action of forfeiture of the lease, the Lender shall release from such fixed charge, the Company's interest in the lease.

11.1.5.3. Clause 11.1.5.2 shall only apply where the Company has complied with its obligations under clause 11.1.5.1, but the landlord has not given the consent requested of it.

11.1.5.4. Upon receipt by the Lender of evidence in writing of the consent of the landlord to the creation and existence of the fixed charge over the Company's interest in such lease, clause 11.1.5.2 shall cease to apply in respect of the relevant Secured Property.

11.1.6. No variation to lease

It shall not without the prior written consent of the Lender alter or vary or agree to alter or vary the terms of any lease under which it holds any Secured Property or any lease to which any Secured Property is subject.

11.1.7. No surrender or termination

It shall not without the prior written consent of the Lender surrender or otherwise terminate any lease under which it holds a Secured Property or terminate, forfeit or accept a surrender of any lease to which any Secured Property is subject.

11.1.8. Lease or right to occupy

It will not without the prior written consent of the Lender:

11.1.8.1. grant any lease or tenancy or exercise any other power of leasing of the whole or part of any Secured Property; or

11.1.8.2. grant any person any contractual licence or the right to occupy any Secured Property or part with possession of it.

11.1.9. Forfeiture

It shall not do or permit anything which may render any lease or agreement for lease under which it holds an interest in a Secured Property, or to which the Secured Property is subject, liable to forfeiture or otherwise determinable.

11.1.10. Claims

It shall promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Company's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

11.1.11. No alterations

The Company shall not, without the prior written consent of the Lender (not to be unreasonably withheld or delayed):

11.1.11.1. pull down or remove the whole, or any part of, any building forming part of any Secured Property or permit the same to occur;

11.1.11.2. make or permit to be made any material alterations to any Secured Property, or sever or remove or permit to be severed or removed, any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause 11.1.2); or

11.1.11.3. remove or make any material alterations to any of the equipment belonging to, or in use by, the Company on any Secured Property (except to effect necessary repairs or replace them with new or improved models or substitutes).

11.1.12. Covenants

The Company shall:

- 11.1.12.1. observe and perform all covenants, stipulations and conditions to which each Charged Property, or the use of it, is or may be subject, and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- 11.1.12.2. diligently enforce all covenants, stipulations and conditions benefiting each Charged Property and shall not (and shall not agree to) waive, release or vary any of the same.

11.1.13. Development restrictions

The Company shall not, without the prior written consent of the Lender (not to be unreasonably withheld or delayed):

- 11.1.13.1. make or, insofar as it is able, permit others to make any application for planning permission or development consent in respect of any Secured Property; or
- 11.1.13.2. carry out or permit or suffer to be carried out on any Secured Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit or suffer to be changed the use of any Secured Property.

11.1.14. Environmental Law

The Company shall in respect of each Secured Property comply with all the requirements of Environmental Law and obtain and comply with all environmental licences.

11.1.15. No restrictive obligations

The Company shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of any Secured Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Secured Property.

11.1.16. Proprietary rights

The Company shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Secured Property without the prior written consent of the Lender.

11.1.17. VAT option to tax

The Company shall not, without the prior written consent of the Lender:

11.1.17.1. exercise any VAT option to tax in relation to any Secured Property; or

11.1.17.2. revoke any VAT option to tax exercised, and disclosed to the Lender, before the date of this Deed.

11.1.18. Registration of legal mortgage at the Land Registry

The Company consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to each Secured Property over which the Lender has a legal mortgage:

"No disposition of the registered estate by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE] in favour of [NAME OF PARTY] referred to in the charges register [or [their conveyancer or specify appropriate details]]."

11.2. Chattels

11.2.1. It will keep all Chattels comprised in its Secured Assets in good and substantial repair and in good working order and condition.

11.2.2. It shall repair any defect or damage to any of its Chattels promptly and if it fails to do so the Lender may, but shall not be obliged to, do so.

11.2.3. It shall, on the later of the date of this Deed and the date of acquisition by it of the relevant Chattel, deliver to the Lender all documents of title relating to its Chattels.

11.2.4. At any time after the security constituted by this Deed has become enforceable, the Lender or any Receiver may, as agent for the Company, dispose of any chattels or produce found on any Secured Property.

11.2.5. Without prejudice to any obligation to account for the proceeds of any disposal made under clause 11.2.4, the Company shall indemnify the Lender and any Receiver against any liability arising from any disposal made under clause 11.2.4.

11.3. Insurance

It shall comply with all requirements of the Lender in respect of insurance as set out in all documents which record the Secured Obligations.

11.4. Book and other debts

11.4.1. It shall collect and realise the Debts in the ordinary course of trading as agent for the Lender and pay their proceeds into its Accounts immediately on receipt. It shall hold all such proceeds on trust for the Lender pending payment of them into its Accounts.

- 11.4.2. It shall not set off, postpone or release any of the Debts or do or omit to do anything which may delay or prejudice the full recovery of all Debts without the prior written consent of the Lender.

11.5. General

It shall not do or cause or permit to be done anything which may in any way materially depreciate, jeopardise or otherwise prejudice the value to the Lender of the Security created by or under this Deed.

12. POWER TO REMEDY

- 12.1. If the Company fails to comply with any of the undertakings set out in clause 11 (Undertakings) or any obligations under this Deed, it shall allow and irrevocably authorises the Lender and/or such persons as it shall nominate to take such action on behalf of the Company as shall be necessary to ensure that it complies with those undertakings.
- 12.2. If the Company fails to perform any obligation or other covenant affecting the Secured Property or other Secured Asset, the Company shall permit the Lender or its agents and contractors:
- 12.2.1. to enter on the Secured Property;
- 12.2.2. to comply with or object to any notice served on the Company relating to the Secured Property or other Secured Asset; and
- 12.2.3. to take any action the Lender may reasonably consider expedient to prevent or remedy any breach of any such term or to comply with or object to any such notice.
- 12.3. The Company shall reimburse the Lender, on a full indemnity basis, for any monies the Lender expends in remedying a breach by the Company of its obligations contained in this Deed, and such monies shall carry interest in accordance with the terms of this Deed.
- 12.4. The rights of the Lender under this clause 12 are without prejudice to any other rights of the Lender under this Deed.

13. SECURITY POWER OF ATTORNEY

The Company, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Company is obliged to take under this Deed or which any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Lender, any Receiver or any delegate. The Company ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 13.

14. ENFORCEMENT OF SECURITY

14.1. When security is enforceable

On the occurrence of any Event of Default which is continuing, the Security created by and under this Deed is immediately enforceable.

14.2. Acts of enforcement

The Lender may, at its absolute discretion, at any time after the Security created by or under this Deed is enforceable:

- 14.2.1. enforce all or any part of the Security created by or under this Deed in any manner it sees fit and take possession of and hold or dispose of all or any part of the Secured Assets;
- 14.2.2. exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this Deed, and rights and powers conferred on a Receiver by this Deed, whether or not it has taken possession or appointed a Receiver to any of the Secured Assets;
- 14.2.3. appoint one or more qualified persons (as defined in clause 16.1.2) (Appointment of Receiver) to be a Receiver to all or any part of the Secured Assets;
- 14.2.4. appoint an administrator in respect of the Company and take any steps to do so;
- 14.2.5. exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this Deed); or
- 14.2.6. if permitted by law, appoint an administrative receiver in respect of the Company.

14.3. Statutory powers - general

- 14.3.1. For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- 14.3.2. Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this Deed.
- 14.3.3. The statutory powers of leasing conferred on the Lender are extended so that, without the need to comply with any provision of section 99 or section 100 of the Law of Property Act 1925, the Lender is empowered to lease and make agreements for lease at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it may think fit.
- 14.3.4. Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers when such Receivers have been duly appointed under the relevant Act.

- 14.3.5. To the extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Lender in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.
- 14.3.6. Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

14.4. Contingencies

If the Lender enforces the Security constituted by or under this Deed at a time when no amounts are due to the Lender but at a time when amounts may or will become so due, the Lender (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account.

14.5. Mortgagee in possession - no liability

Neither the Lender nor any Receiver will be liable, by reason of entering into possession of a Secured Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable.

14.6. Redemption of prior mortgages

At any time after the Security created by or under this Deed has become enforceable, the Lender may, at the sole cost of the Company (payable to the Lender on demand):

- 14.6.1. redeem any prior form of Security over any Secured Asset; and/or
- 14.6.2. procure the transfer of that Security to itself; and/or
- 14.6.3. settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Company.

The Company shall pay to the Lender immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this Deed as part of the Secured Obligations.

14.7. Access

- 14.7.1. At any time after the Lender has demanded payment of the Secured Obligations or if the Company defaults in the performance of its obligations under this Deed, the Company will allow the Lender or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Lender or a Receiver reasonably

believes a Secured Asset to be situated) without incurring any liability to the Company for, or by any reason of, that entry.

- 14.7.2. At all times, the Company must use its best endeavours to allow the Lender or its Receiver access to any premises for the purpose of clause 14.7.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

15. **ADMINISTRATOR**

- 15.1.1. The Lender may, without notice to the Company, appoint any one or more persons to be an administrator of the Company pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Deed becomes enforceable.
- 15.1.2. Any appointment under this clause 15 shall:
- 15.1.2.1. be in writing signed by a duly authorised signatory of the Lender; and
- 15.1.2.2. take effect in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- 15.1.3. The Lender may apply to the court for an order removing an administrator from office and may by notice in writing in accordance with this clause 15 appoint a replacement for any administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

16. **RECEIVER**

16.1. **Appointment of Receiver**

- 16.1.1.
- 16.1.1.1. At any time after any Security created by or under this Deed is enforceable, the Lender may appoint a Receiver of all or any part of the Secured Assets in accordance with clause 14.2.3 (Acts of enforcement).
- 16.1.1.2. At any time, if so requested in writing by the Company, without further notice, the Lender may appoint one or more qualified persons to be a Receiver to all or any part of the Secured Assets as if the Lender had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.
- 16.1.2. In this Deed qualified person means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any company with respect to which he is appointed.
- 16.1.3. Any Receiver appointed under this Deed shall be the agent of the Company and the Company shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or

entered into by him and in no circumstances whatsoever shall the Lender be in any way responsible for any misconduct, negligence or default of the Receiver.

- 16.1.4. Where the Company is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 of the Insolvency Act 1986:

16.1.4.1. obtaining a moratorium; or

16.1.4.2. anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 of the Insolvency Act 1986,

shall not be grounds for appointment of a Receiver.

- 16.1.5. The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

- 16.1.6. The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Secured Assets.

16.2. Removal

The Lender may by written notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receiver) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

16.3. Powers of Receiver

16.3.1. General

16.3.1.1. In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 16.3.

16.3.1.2. If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.

16.3.1.3. A Receiver who is an administrative receiver of the Company has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986.

16.3.1.4. A Receiver may, (in the name of the Company):

16.3.1.4.1. do all other acts and things which he may consider expedient for realising any Secured Asset; and

16.3.1.4.2. exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

16.3.2. Borrow money

A Receiver may raise and borrow money (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

16.3.3. Carry on business

A Receiver may carry on the business of the Company as he thinks fit and, for the avoidance of doubt, a Receiver may apply for such Authorisations as he considers in his absolute discretion appropriate.

16.3.4. Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Company or relating in any way to any Secured Asset.

16.3.5. Delegation

A Receiver may delegate his powers in accordance with clause 17 (Delegation).

16.3.6. Employees

For the purposes of this Deed, a Receiver as he thinks appropriate, on behalf of the Company or for itself as Receiver, may:

16.3.6.1. appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and

16.3.6.2. discharge any such persons appointed by the Company.

16.3.7. Leases

A Receiver may let any Secured Asset for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of any Secured Assets on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

16.3.8. Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the Company in relation to any Secured Asset as he considers expedient.

16.3.9. Possession

A Receiver may take immediate possession of, get in and collect any Secured Asset.

16.3.10. Protection of assets

A Receiver may, in each case as he may think fit:

16.3.10.1. make and effect all repairs and insurances and do all other acts which the Company might do in the ordinary conduct of its business be they for the protection or for the improvement of the Secured Assets;

16.3.10.2. commence and/or complete any building operations on the Secured Property or other Secured Asset; and

16.3.10.3. apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence.

16.3.11. Receipts

A Receiver may give valid receipts for all moneys and execute all assurances and things which may be expedient for realising any Secured Asset.

16.3.12. Sale of assets

A Receiver may sell, exchange, convert into moneys and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the Company.

16.3.13. Subsidiaries

A Receiver may form a Subsidiary of the Company and transfer to that Subsidiary any Secured Asset.

16.3.14. Deal with Secured Assets

A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all or any part of the Secured Assets without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

16.3.15. Security

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Company and the money so paid shall be deemed to be an expense properly incurred by the Receiver.

16.3.16. Acquire land

The Receiver may purchase or acquire any land and purchase, acquire or grant any interest in or right over land.

16.3.17. Development

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any real property comprised in the Secured Property and do all acts and things incidental to the Secured Property.

16.3.18. Landlord's obligations

A Receiver may on behalf of the Company and without consent of or notice the Company exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property.

16.3.19. Uncalled capital

A Receiver may make calls conditionally or unconditionally on the members of the Company in respect of uncalled capital.

16.3.20. Incidental matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers

listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the Company for all the purposes set out in this clause 16.

16.4. Remuneration

The Lender may from time to time fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.

17. DELEGATION

- 17.1. The Lender and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Lender and the Receiver (as appropriate) under this Deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender and Receiver (as appropriate) may think fit.
- 17.2. The Lender and any Receiver will not be liable or responsible to the Company or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate.

18. APPLICATION OF MONEYS

- 18.1. Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.
- 18.2. All monies received or recovered by the Lender, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed (other than sums received under any insurance policy held by the Company), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Lender's right to recover any shortfall from the Company):
- 18.2.1. in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
 - 18.2.2. in or towards payment of the Secured Obligations in the order and manner set out in the Intercreditor Deed; and
 - 18.2.3. in payment of the surplus (if any) to the Company or other person entitled to it.
- 18.3. The Lender and any Receiver may place any money received, recovered or realised pursuant to this Deed in or at an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

- 18.4. Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Obligations.

19. **AMENDMENTS, REMEDIES AND WAIVERS**

- 19.1. No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).
- 19.2. No failure to exercise, nor any delay in exercising, on the part of the Lender or any Receiver, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.
- 19.3. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.
- 19.4. The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

20. **PROTECTION OF THIRD PARTIES**

- 20.1. No person (including a purchaser) dealing with the Lender or a Receiver or its or his agents has an obligation to enquire of the Lender, Receiver or others:
- 20.1.1. whether the Secured Obligations have become payable;
 - 20.1.2. whether any power purported to be exercised has become exercisable;
 - 20.1.3. whether any Secured Obligations or other moneys remain outstanding;
 - 20.1.4. how any moneys paid to the Lender or to the Receiver shall be applied; or
 - 20.1.5. the status, propriety or validity of the acts of the Receiver or Lender.
- 20.2. The receipt by the Lender or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the Lender or any Receiver.
- 20.3. In clauses 20.1 and 20.2, "purchaser" includes any person acquiring, for money or moneys worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

21. **ADDITIONAL SECURITY**

The Security created by or under this Deed is in addition to and is not in any way prejudiced by any guarantee or security now or subsequently held by the Lender.

22. **SETTLEMENTS CONDITIONAL**

- 22.1. If the Lender (acting reasonably) believes that any amount paid by the Company or any other person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this Deed, such amount shall not be considered to have been paid.
- 22.2. Any settlement, discharge or release between the Company and the Lender shall be conditional upon no Security or payment to or for the Lender by the Company or any other person being avoided, or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise. Despite any such release, discharge or settlement:
- 22.2.1. the Lender or its nominee may retain this Deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and
- 22.2.2. the Lender may recover the value or amount of such security or payment from the Company subsequently as if the release, discharge or settlement had not occurred.

23. **SUBSEQUENT SECURITY**

If the Lender receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets it may open a new account or accounts for the Company in its books. If it does not do so then, unless it gives express written notice to the contrary to the Company, as from the time of receipt of such notice by the Lender, all payments made by the Company to the Lender shall be treated as having been credited to a new account of the Company and not as having been applied in reduction of the Secured Obligations.

24. **SET-OFF**

The Lender may at any time set off any liability of the Company to the Lender against any liability of the Lender to the Company, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. Any exercise by the Lender of its rights under this clause 24 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

25. **PARTIAL INVALIDITY**

If, at any time, any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

26. **NOTICES**

26.1. Any communication to be made under or in connection with this Deed shall be made in writing to the following addresses:

26.1.1. in the case of the Company:

Address: Reece Safety Products Limited, Unit B9 Lowfields Close,
Lowfields Business Park, Elland, West Yorkshire HX5 9DX

Attention: Robin Womersley

26.1.2. in the case of the Lender:

Address: Abbey Cottage, Blake House Farm, Marsh Hall Lane,
Thurstonland, Huddersfield HD4 6XD

or any substitute address as may be notified in writing to the Lender (or the Lender may notify the Company if a change is made by the Lender) by not less than 7 days' notice.

26.2. Any notice or other communication that the Lender gives to the Company shall be deemed to have been received:

26.2.1. if delivered by hand, at the time it is left at the relevant address; and

26.2.2. if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.

A notice or other communication given as described in clause 26.2.1 or clause 26.2.2 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

26.3. Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.

27. **PERPETUITY PERIOD**

The perpetuity period applicable to the trusts created by this Deed is one hundred and twenty five years.

28. **ASSIGNMENT**

28.1. The Lender may freely assign or otherwise transfer all or any part of its rights under this Deed or any Security created by or under it.

28.2. The Company may not assign any of its rights, or transfer any of its rights or obligations, under this Deed or enter into any transaction which would result in any of those rights or obligations passing to another person.

29. **RELEASES**

Upon the expiry of the Security Period, the Lender shall, at the request and cost of the Company, take whatever action is necessary to release and reassign to the Company:

29.1. its rights arising under this Deed;

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- 29.2. the Secured Assets from the Security created by and under this Deed, and return all documents or deeds of title delivered to it under this Deed.

30. **CURRENCY CLAUSES**

If a payment is made to the Lender under this Deed in a currency ("Payment Currency") other than the currency in which it is expressed to be payable ("Contractual Currency"), the Lender may convert that payment into the Contractual Currency at the rate at which it (acting reasonably and in good faith) is able to purchase the Contractual Currency with the Payment Currency on or around the date of receipt of the payment and to the extent that the converted amount of the payment falls short of the amount due and payable the Company will remain liable for such shortfall.

31. **INDEMNITY**

31.1. **Company's indemnity**

- 31.1.1. The Company shall promptly indemnify the Lender and every Receiver and Delegate (each an Indemnified Person) against any cost, loss or liability together with any associated VAT incurred by any of them as a result of:

31.1.1.1. taking, holding, protecting, perfecting, preserving, releasing or enforcing (or attempting to do so) in respect of the Secured Assets;

31.1.1.2. the exercise or purported exercise of any of the rights, powers, discretions and remedies vested in the Lender and each Receiver and Delegate; and

31.1.1.3. any default by the Company in the performance of any of the obligations expressed to be assumed by it.

- 31.1.2. The Company shall indemnify the Lender against any and all costs, losses, liabilities or expenses together with any associated VAT incurred by each Lender arising (directly or indirectly) out of or in connection with:

31.1.2.1. any breach or potential breach of or liability (whether civil and/or criminal) under any Environmental Law;

31.1.2.2. any responsibility on the part of the Lender in respect of any clean-up, repair or other corrective action; or

31.1.2.3. the business or any real property of the Company.

- 31.1.3. The Lender may indemnify itself out in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this clause and shall have a lien on the Security Documents and the proceeds of the enforcement of the Security Documents for all monies payable to it.

32. **EXCLUSION OF LIABILITY**

32.1. **No liability**

Neither the Lender, nor any Receiver or Delegate, shall be liable to the Company or any other person:

- 32.1.1. (by reason of entering into possession of a Secured Asset, or for any other reason) to account as mortgagee in possession in respect of all or any of the Secured Assets;
- 32.1.2. for any loss on realisation, or for any act, default or omission for which a mortgagee in possession might be liable; or
- 32.1.3. for any expense, loss or liability:
 - 32.1.3.1. relating to the enforcement of, or any failure to enforce or delay in enforcing, any security constituted by or pursuant to this Deed;
 - 32.1.3.2. relating to an exercise of rights, or by any failure to exercise or delay in exercising, rights under this Deed; or
 - 32.1.3.3. arising in any other way in connection with this Deed,

except that this does not exempt the Lender or any Receiver or Delegate from liability for losses caused by the gross negligence, fraud or wilful misconduct of the Lender or the relevant Receiver or Delegate.

32.2. Officers and agents

The Company may not take proceedings against any officer, employee or agent of the Lender in respect of any claim it might have against the Lender or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Security Document and any officer, employee or agent of the Lender may rely on this clause.

33. FEES, COSTS AND EXPENSES

33.1. Enforcement and preservation costs

The Company shall, within three Business Days of demand, pay to, or reimburse, the Lender and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate in connection with:

- 33.1.1. the negotiation, preparation, execution and delivery of this Deed;
- 33.1.2. the Secured Assets;
- 33.1.3. taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed;
- 33.1.4. any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) under or in connection with this Deed;
- 33.1.5. any release of any security constituted by this Deed; or
- 33.1.6. taking proceedings for, or recovering, any of the Secured Obligations,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge,

expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment) at the Default Rate.

33.2. Interest on late payments

33.2.1. If the Company fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the Default Rate. Any interest accruing under this clause 33.2 shall be immediately payable by the Company on demand by the Lender.

33.2.2. Default interest (if unpaid) arising on Unpaid Sums will be compounded with the overdue amount at the end of each month but will remain immediately due and payable.

34. CERTIFICATES

Any certification or determination by the Lender of any rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

35. COUNTERPARTS

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

36. INDULGENCE

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Deed (whether or not any such person is jointly liable with the Company) in respect of any of the Secured Obligations, or of any other security for them without prejudice either to this Deed or to the liability of the Company for the Secured Obligations.

37. GOVERNING LAW AND JURISDICTION

37.1. Governing law

37.1.1. This Deed shall be governed by and construed in accordance with English law, and all claims and disputes between the Parties or any of them arising out of or in connection with this Deed (whether or not contractual in nature) shall be determined in accordance with the law of England and Wales.

37.1.2. Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation.

37.2. Service of process

The Company irrevocably consents to any process in any legal action or proceedings under clause 37.1.2 being served on it in accordance with the provisions of this Deed

relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

This Deed has been entered into as a deed on the date given at the beginning of this Deed.

Schedule 1 - Properties

Registered Land


Country and district (or address or description)	Title number
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Unregistered land


SIGNATURES TO THE DEBENTURE

Company

Executed as a deed (but not delivered until)
the date hereof) **WHCO14 LIMITED**)
acting by a director in the presence of:)

DocuSigned by:

.....EEAB04AC9B7448E.....
Director

Signature of witness

DocuSigned by:

.....F6B130EB98D648F.....
Paul Betts

Name

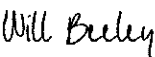
.....
289 Lidgett Lane, Leeds, LS17 6PD

Address

.....
.....

Lender

Executed as a deed (but not delivered until)
the date hereof) by **WILLIAM BEELEY**)
in the presence of:)

DocuSigned by:

.....FA14BFFB11AC4BE.....
William Beeley

Signature of witness

DocuSigned by:

.....C80FCD8F0A504BB.....
Tobias Adkins

Name

.....
Progeny, Leeds, LS1 4DL

Address

.....
.....

